

WEALTH MARKETS AND COMMERCE

Finance - Economics

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Friday, November 24, 1916

There is a new dimension in the world. It is the unlimited. The belligerent countries of Europe have committed themselves to a policy of unlimited liability on account of the war, which is to say that they will borrow unlimited amounts and pile up unlimited debts.

now become evident that no decline in prices is to be looked for in some time. "The Railway Age-Gazette" forgets to ascribe either the fact that the railroads held off from buying or the fact that no decline in prices may be looked for to the baleful influence of the Interstate Commerce Commission's work upon human psychology and economic events.

Money and Credit

Money on call at the New York Stock Exchange ruled at 4 per cent yesterday. Toward the close, after the loan requirements of the Street for over the week's end had been filled, some of the banks offered money on call at substantial concessions, and the rate fell to 2 per cent. The close was 2 1/2%.

There was no quotable change in the market for time funds on brokers' Stock Exchange collateral, rates holding firm at the levels of the day before. Ruling rates on money yesterday, compared with a year ago, were as follows:

Table with columns: Maturity in days (10d, 30d, 60d, 90d), Yesterday, Year ago. Rows include Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, San Francisco.

Bank Exchanges.—The day's clearings at New York and other cities: New York \$784,760,176; Baltimore 6,885,595; Boston 41,405,725; Philadelphia 62,086,580.

Gold to England.—The Chase National Bank is shipping \$40,000 in double eagles to London. The consignment represents a special transaction, made on instructions received from a London bank.

Canadian Bank Statement.—Following are the principal items in the monthly statement of the Canadian chartered banks: Oct. 31, 1916, Oct. 31, 1915.

Paris to Hold Trade Fair in May, 1917. A fair, known under the title of "La Foire de Paris," will be held in Paris from May 1 to 15, 1917, Consul General A. M. Thackeray reports.

Week's Money Currents.—Movements of currency this week indicate a loss in cash by the banks of about \$26,000,000, according to the estimate of Dow, Jones & Co.

LONDON MARKET MUCH DEPRESSED

Viscount Grey's Vacation and Attacks on Cabinet Burden Exchange. London, Nov. 24.—The tone of the Stock Exchange remains very heavy under discouraging news and an increasing load of paper.

The Dollar in Foreign Exchange. Business in foreign remittances was somewhat more active yesterday. Russian bills went lower again, this time to 30.49 cents, compared with 30.70 the day before.

Table with columns: Item, Yesterday, Today. Rows include Sterling, demand; Sterling, sixty days; Sterling, ninety days; France, demand; France, cables; Guilders, checks; Reichsmarks, checks; Reichsmarks, cables; Lire, checks; Swiss, cables; Austrian, kronen; Stockholm, kr.; Copenhagen, kr.; Pesetas, checks; Rubles, checks; Pesos (Argentine).

Below is given the current exchange value of foreign money in dollars and cents, together with the intrinsic gold parity, as calculated by the United States Mint:

Table with columns: Item, Current exchange value, Intrinsic value. Rows include Pounds, sterling; France; Guilders; Marks; Rubles; Lire; Crown (Denmark); Krona (Sweden); Pesos (Argentine).

The above rates express the cost of foreign money in terms of the American dollar. You buy an English pound sterling for \$4.75 1/2; the intrinsic parity is \$4.85 1/2 per pound.

A. T. & T. ISSUES BONDS BESIDES NEW STOCK

Funds Needed for Construction and Refunding. The American Telephone and Telegraph Company, it was announced yesterday, had adopted a financial plan which, in addition to providing for an issue of \$40,000,000 in new stock, also provides for the sale of \$80,000,000 of 5 per cent thirty-year collateral trust bonds.

Offering of the new bonds will be made in the near future. The price has not been fixed, but it is expected that it will be close to par, as in the case of the stock issue.

During the coming year we shall not only have to provide what we may call our normal increase, but also replace to a large extent our surplus plant, providing we can get material and labor.

Northwest Easy About Seed. Minneapolis, November 24. James J. Earley, president of the Bank of Valley City, N. D., is confident that the spring wheat seed problem of 1917 will be solved without recourse to heavy importation.

Money and Prices: Stock of money gold in the country. Loans of all national banks. Ratio of cash held to gross deposit liabilities.

PARIS TO HOLD TRADE FAIR IN MAY, 1917

A fair, known under the title of "La Foire de Paris," will be held in Paris from May 1 to 15, 1917, Consul General A. M. Thackeray reports.

Relevant Information

United States Steel.—The turnover in steel common was large again yesterday, with a total of 201,000 shares, or about one-sixth of the aggregate dealings on the Exchange. The stock closed at the top, 126 1/2, where it showed a net gain of 2 1/2 points.

Computations showing an approaching world shortage in food are alarming. Argentine crop reports are very depressing and explain the weakness of Argentine rails.

Among the new war industries likely to last is the manufacture of synthetic drugs. Many enterprising and clever young chemists have been working successfully to supply the market with these hitherto German monopolies.

The doll trade is a curiosity. Before the war German dolls' wigs were imported from Bradford, while dolls' eyes were a specialty of German glassblowers.

Atlantic, Gulf and West Indies.—The directors declared an initial dividend of \$5 a share on the common stock yesterday. Dealings in this issue totaled 7,000 shares without any net price change.

BANKERS NOT AGREED ON ARGENTINE LOAN

Renewal of \$5,000,000 Note Issue, Due Dec. 15, Is Expected. Efforts of New York bankers to reach an agreement with the Argentine government on a plan for the consolidation of that country's short term obligations in this market into one large loan have not yet met with success.

SOLVES HIGHER LIVING COST FOR EMPLOYEES

Central Trust Company Grants Proportionate Wage Increase. The Central Trust Company of this city has evolved a practical plan to maintain the purchasing power of its employees' wages.

News Digest

Chinese Senate Approves Loan.—Peking, Nov. 24.—The Senate today approved the loan arranged with Chicago bankers. There was slight opposition to the loan.

Restrict Australian Wool Sales.—London, Nov. 24.—The sale of wool or sheepskin has been prohibited in Australia without the permission of the Prime Minister, according to a Melbourne dispatch to Reuter's.

London Markets.—London, Nov. 24.—The stock market developed a better tendency today. In the gilt-edged section buying did not increase, but a few bids were sufficient to raise values.

Paris Bourse.—Paris, Nov. 24.—Trading was quiet on the Bourse today. Three per cent rentes, 61 francs 10 centimes for cash; exchange on London, 27 francs 8 1/2 centimes; 5 per cent loan, 87 francs 80 centimes.

Significant Relations

Table with columns: Item, Now, A year ago, Last report, Last year. Rows include Stock of money gold in the country, Loans of all national banks, Ratio of cash held to gross deposit liabilities, Loans of Federal Reserve Banks, Average price of 15 railroad stocks, Food cost of living (Annalist index number), Production, Distribution, Gross railroad earnings, Bank clearings.

TREASURY BILLS ARE AUTHORIZED

Morgan & Co. Describe New Form of British and French Securities. The imminent innovation in the method of financing British and French purchases in this country was outlined yesterday in a statement issued by J. P. Morgan & Co., which said:

"In response to inquiries we are able to state that the British and French government treasuries have each authorized the sale in this market of a limited amount of their short term bills, running at various maturities from thirty days to six months.

"These bills, which in form are much similar to the New York City revenue bills, will be payable in dollars in New York City. They will probably be available on or about December 1 and at rates based largely upon money market conditions."

It is not expected that the initial sales of the bills will be in sufficient volume to affect materially the sterling exchange market. Payments in gold for the huge purchases of the Allies in this country have been resumed.

Although the statement issued by J. P. Morgan & Co., acting as agents of Great Britain and France, says that the treasury bills of those countries will be "limited" in amount, the meaning is that the amount is "indeterminate." It is intended that the bills will be sold in such quantities as the demand may require.

The Allied governments' bills are nothing more or less than their I. O. U. They will be engraved in this country. The contract has been let to the American Bank Note Company.

STOCK OF BRITISH DYES NOW FULLY SUBSCRIBED

All of the capital stock of the government-aided British Dyes, Ltd., has now been subscribed, according to "The Manchester Guardian." In a recent issue of that journal it was stated:

British Dyes (Ltd.) set out in March of last year to set \$2,000,000, in 41 shares (\$49,750,000 in shares of \$1,200 each), and the number of shares on which the directors were authorized to issue was 41,000.

THE COAL AND IRON NATIONAL BANK OF THE CITY OF NEW YORK STATEMENT

At Close of Business Nov. 17, 1916. COMPROMISER'S CALL. RESOURCES: Loans and Discounts \$7,019,184.00; U. S. Bonds at Par \$14,500.00; Other Stocks and Bonds \$3,016,643.53; Due from Banks, etc. \$1,824,800.57; Cash and Exchanges \$1,825,907.43; Customers' Liabilities \$118,206.51; a/c Acceptances \$14,218,492.75; Capital Stock \$1,000,000.00; Surplus and Profits \$765,827.14; Circulation \$413,000.00; Deposits \$11,904,225.34; Reserve for Taxes \$17,233.79; Acceptance Executed \$118,206.51; a/c Customers \$14,218,492.75.

BOLIVIA NEGOTIATING FOR RAILROAD LOAN

South American Republic seeks \$2,400,000 in This Market. The South American Republic of Bolivia is negotiating with Chandler & Co., of New York, for a loan of \$2,400,000. The rate is expected to be around 6 per cent.

Corporation Returns

Table with columns: Item, 1916, 1915. Rows include Pacific Coast, September gross, Net after taxes, Three months' gross, Net after taxes.

Henry Clews & Co.

11, 12, 15, 17 and 18 BROAD ST. Stocks, Bonds and Investment Securities bought and sold on commission. Also carried on conservative terms. Deposit Accounts received subject to check at daily balances.

American Brass Ingersoll-Rand Stocks Gude, Winmill & Co.

Members New York Stock Exchange. 20 Broad St., N. Y. Tel. Recker 9000.

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issued under the Deposit Agreement, dated July 19, 1915, between the undersigned Committee and such Holders of said Debentures as should become parties thereto.

SEWARD PROSSER, Chairman, EMILE K. BOISOT, A. BARTON HEPBURN, EDWIN G. MERRILL, JAMES SPEYER, Debenture Committee.

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The Farmers' Loan and Trust Company

Nos. 16, 18, 20 & 22 William Street Branch Office, 475 Fifth Avenue New York

LONDON, 15 Cookspur St., S. W., 26 Old Broad St., E. C. PARIS, 41 Boulevard Haussmann. BERLIN, 68 Unter den Linden, N. W. Y.

Foreign Banking Business of every kind transacted.

THE LONDON CITY & MIDLAND BANK LIMITED

Head Office: 5, THREADNEEDLE STREET, LONDON, E. C., ENGLAND. Paid-up Capital - \$23,903,960 Reserve Fund - \$20,000,000 Deposits - \$787,696,280

To Holders of Certificates of Deposit for Twenty-Year Five Per Cent. Gold Debentures of

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